

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15850
[REDACTED])	
Petitioner.)	DECISION
)	
)	

On April 3, 2002, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for tax years 1995, 1996, 1997 and 1999 in the total amount of \$9,157.

The taxpayer protested the determination by submitting two years of completed Idaho income tax returns. No other information was provided. The Tax Commission, having reviewed the file, hereby issues its decision based thereon.

Information available to the Tax Commission indicated the taxpayer was an Idaho resident who met the filing requirements during the years in question. Because the Tax Commission's files did not include the taxpayer's Idaho tax returns, the Bureau prepared Idaho individual income tax returns on the taxpayer's behalf and issued a notice of deficiency.

In response to the notice, the taxpayer sent his completed and signed returns for tax years 1997 through 2000. He did not send returns for 1995 and 1996. The Bureau notified the taxpayer that his returns would be accepted as filed and the portion of the deficiency determination addressing 1997 and 1999 was canceled. Therefore, this decision will address the taxpayer's Idaho income tax responsibility for tax years 1995 and 1996 only. The 1997 and 1999 tax years will not be a part of this decision.

When the Bureau received no response to its request for the taxpayer to submit the balance of his missing returns, the taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayer did not respond to a letter from the Tax Appeals Specialist that outlined his appeal rights.

The taxpayer does not deny he has a filing responsibility to submit Idaho income tax returns for 1995 and 1996. However, he has not filed those returns.

The Bureau telephoned the business shown to be the taxpayer's employer during both years in an effort to obtain withholding information. Surprisingly, the taxpayer was still working for the same employer and happened to be the person who answered the telephone. He said his employer no longer had the W-2s for those years because they had been seized. He said he had contacted the Social Security Administration in an effort to get records from that agency but had not received a reply. The Bureau placed the taxpayer's file in abeyance for six months to allow him time to secure withholding information. More than six months passed and no additional withholding information was received.

The taxpayer's Idaho income tax responsibility was calculated from the income records retained by [Redacted] the Tax Commission. [Redacted]. Idaho withholding was identified for other years but no Idaho withholding could be found for 1995 or 1996.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Comm'n, 110 Idaho 572 (Ct. App. 1986). The burden is on the taxpayer to show that the tax deficiency is erroneous. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

The taxpayer has failed to file Idaho income tax returns for 1995 and 1996. Absent

information to the contrary, the Tax Commission accepts the Bureau's calculation of Idaho income tax, penalty, and interest due.

WHEREFORE, the Notice of Deficiency Determination dated April 3, 2002, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1995	\$1,854	\$464	\$992	\$3,310
1996	1,815	454	821	<u>3,090</u>
			TOTAL DUE	<u>\$6,400</u>

Interest is calculated through March 1, 2003.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2003.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that I have on this _____ day of _____, 2003, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]
